North Norfolk Growth Sites Delivery Strategy

- Summary: It has been identified that there is a vital need for a report (to include feasibility, strategy and actions) to unlock and deliver local employment sites that have the potential to support economic growth. It is proposed that the 'North Norfolk Growth Site Delivery Strategy' could support NNDC in its ambition to enact a more delivery-focused approach to bringing forward the development of key sites and unlocking the historic 'bottle-necks' of some locations. This report outlines the proposed work.
- **Options considered:** Whilst this work could potentially be delivered via a series of feasibility reports produced in isolation, it is considered that a 'wholesale' review of all the identified growth sites would be preferable as this will allow the Council to prioritise the sites, evaluate the scale of intervention and consider any cross-site delivery mechanisms.
- **Conclusions:** It is considered that market failure, of varying causes and degrees has meant that many of the District's current allocated employment sites will not come forward (within a reasonable timescale) to support business investment decisions without public sector intervention either directly or through supporting third parties. Moreover, it is feared that similar will be experienced with sites identified within the emerging Local Plan without a suitable strategy in place to support their delivery.
- **Recommendations:** It is recommended that Cabinet acknowledge the project and note the contents of the report.
- **Reasons for Recommendations:** The recommendations of such a study will help to target NNDC's own projects and financial resources on the opportunities that are most beneficial to the local economy and which are most in need of such investment. Furthermore, it will inform the delivery of allocated sites and designations in the emerging Local Plan and will help inform the investment decisions of third parties (be that developers, land owners, industrialists or growing local businesses). It will also improve the chances of success of bids when seeking external funding.

Cabinet Member(s)	Ward(s) affected:
Cllr Richard Kershaw	All Wards

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1. Introduction

1.1 The premise of the 'North Norfolk Growth Site Delivery Strategy' is that NNDC needs to enact a more delivery-focused approach to bringing forward the development of local key employment sites in order help facilitate the growth of indigenous businesses and effectively compete with other areas for investment. Through a successful bid into the Norfolk Business Rate Pool (BRP), NNDC has successfully secured match funding to commission a consultant partner to work on this project.

2. Background

- 2.1 In March 2015, NNDC commissioned a Business Growth and Investment Opportunities Study. The BE Group were appointed and reported their findings later that year. The study aimed to provide a high-level overview of the supply, demand and constraints associated with employment land, considering both designated and allocated employment sites.
- 2.2 The report characterised North Norfolk as a low-cost, yet attractive area from which to operate a business; with quality of life clearly identified as a key asset. With the vast majority of businesses in the District employing less than ten people, it was determined that a primary focus of the Council should remain on supporting the establishment and retention of this business base. Realising opportunities to propagate these indigenous businesses and attract new investment into the district will depend upon creating the right environment, having the infrastructure, a skilled workforce and appropriate premises or readily available development sites.
- 2.3 The BE Group report robustly evidenced the need for intervention for a number key growth sites within North Norfolk and identified that the adequate and appropriate provision of commercial property, both built stock and land, is vital to being able to encourage economic development and exploit local growth. The report specifically highlights the critical shortage of start-up and grow-on space for micro-business.
- 2.4 It is considered that market failure, of varying causes and degrees has meant that many of North Norfolk's current allocated employment sites will not come forward (within a reasonable timescale) to support business investment decisions without public sector intervention. Moreover, it is feared that similar will be experienced with sites identified within the emerging Local Plan without a suitable strategy in place to support their delivery.
- 2.5 The concentration and clustering of new business growth and employment in the Greater Norwich and A11 corridor areas potentially creates long-term problems in rural areas such as North Norfolk. A high commuter outflow of working-age people has in part fuelled the narrowing employment choice in North Norfolk and exacerbated 'brain drain,' with young people choosing to move to locations where there is greater opportunity. Others are left to travel some distance to access jobs with significant cost in terms of commuting either by personal or public transport. The high provision of commercial development sites within key growth locations elsewhere, coupled with a lack of local provision, poses a significant risk to local-level investment and draws away skilled labour supply.
- 2.6 Local businesses seeking grow-on space have frequently identified their struggle to find suitable premises for leasing. Many are often of a size that freehold

purchase and development is beyond their means (compounded often by a shortage of land supply in their preferred location). This has often proved to be a constraint on growth or meant that those with particularly strong aspirations have left the District.

3. Outline and Scope of Project

- 3.1 NNDC's Economic Growth team have identified a significant need for a strategy report to unlock and deliver North Norfolk's growth locations as identified within the BE Group Report and proposed by the emerging Local Plan. This work will provide essential background to inform business investment decisions, lay down the groundwork required to support future BRP capital bids and form a delivery plan for undeveloped employment sites, including those proposed within the draft Local Plan. This work will seek to overcome historic blockage issues within sites that have the capacity to provide much needed growth space for the local business base and support inward investment opportunities.
- 3.2 Whilst the work will be led by an in-house project group, the appointment of a professional consultancy firm is required to deliver work beyond the scope and capacity of the authority. This will serve to provide an 'independent' voice, which will be critical to informing any investment decisions by the Council or third parties, and will be of particular value should any projects be identified for external funding.

3.3 Aims of the project

The project will:

- Identify the constraints/barriers presently hindering site development;
- Formulate the 'Business Case' and produce a detailed 'Site Delivery Plan' for each identified key growth site;
- Prioritise the sites and the key actions required for site delivery;
- Qualify the level of intervention, role of the Council/stakeholders/third parties and the required mechanisms to deliver each site;
- Undertake the initial actions identified within the Site Delivery Plan where required, including: establishing suitable delivery methods/vehicles; brokering relations; and mediating with landowners, developers, local businesses and potential investors.

4. Conclusion

4.1 It is anticipated that the proposed North Norfolk Growth Site Delivery Strategy will be supported and welcomed as a valuable tool to supporting the growth of the local economy. Rural and peripheral districts often struggle to compete with more developed urban areas to which infrastructure, funding, resources, business and higher education establishments naturally gravitate. The recommendations of such a study will help to target NNDC's own projects and financial resources on the opportunities that are most beneficial to the local economy and which are most in need of such investment. It will also improve the chances of success of bids for external funding (particularly from sources such as the Norfolk Business Rates Pool and the various government supported funds administered by New Anglia LEP). Moreover, it will inform the delivery of allocated sites and designations in the emerging Local Plan and will help inform the investment decisions of any potential third parties.

5. Implications and Risks

5.1 There are presently no identified legal implications. An appropriate level of tact and diplomacy will be expected of the appointed consultants in their dealings with relevant stakeholders. This will be covered through guidance outlined in the procurement process.

6. Financial Implications and Risks

6.1 Match funds have previously been identified from underspend occurring in 2017/18 to support this work, to which a letter of support has been provided by the Section 151 Officer as part of the BRP grant application.

7. Sustainability

7.1 There are no identified sustainability implications directly resulting from the recommendation or options considered in this report

8. Equality and Diversity

8.1 There are no identified equality and diversity implications directly resulting from the recommendations or options considered in this report.

9. Section 17 Crime and Disorder considerations

9.1 There are no identified Crime and Disorder implications directly resulting from the recommendations or options considered in this report.